



COMMODITY FUTURES TRADING COMMISSION

17 CFR Chapter I

RIN 3038-AD52

Concept Release on Risk Controls and System Safeguards for Automated Trading Environments

AGENCY: Commodity Futures Trading Commission.

ACTION: Reopening of comment period.

SUMMARY: On September 12, 2013, the Commodity Futures Trading Commission (“Commission”) published in the Federal Register a Concept Release on Risk Controls and System Safeguards for Automated Trading Environments (“Concept Release”). The Concept Release addresses the evolution from human-centered to automated trading environments and seeks comment on a series of pre-trade risk controls, post-trade measures, system safeguards and other protections applicable to trading platforms and other categories of market participants. Its original comment period closed on December 11, 2013. For the reasons set forth below, the Commission is reopening the comment period for the Concept Release beginning on January 21, 2014. Interested parties may submit comments on or before February 14, 2014.

DATES: The comment period for the Concept Release published September 12, 2013 (78 FR 56542) is reopened as of January 21, 2014, and extended until February 14, 2014.

ADDRESSES: You may submit comments, identified by RIN 3038-AD52, by any of the following methods:

- CFTC web site, via Comments Online: <http://comments.cftc.gov>. Follow the instructions for submitting comments through the web site.
- Mail: Melissa D. Jurgens, Secretary of the Commission, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street N.W., Washington, DC 20581.
- Hand Delivery/Courier: Same as “mail,” above.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

Please submit comments by only one method. All comments should be submitted in English or accompanied by an English translation. Comments will be posted as received to <http://www.cftc.gov>. You should submit only information that you wish to make available publicly. If you wish the Commission to consider information that may be exempt from disclosure under the Freedom of Information Act (“FOIA”), a petition for confidential treatment of the exempt information may be submitted according to the procedures established in 17 CFR 145.9. The Commission reserves the right, but shall have no obligation, to review, prescreen, filter, redact, refuse, or remove any or all of your submission from <http://www.cftc.gov> that it may deem to be inappropriate for publication, such as obscene language. All submissions that have been redacted or removed that contain comments on the merits of the rulemaking will be retained in the public comment file and will be considered as required under the Administrative Procedure Act and other applicable laws, and may be accessible under FOIA.

FOR FURTHER INFORMATION CONTACT: Sebastian Pujol Schott, Associate Director, Division of Market Oversight, sps@cftc.gov or 202-418-5641; Marilee

Dahlman, Special Counsel, Division of Market Oversight, mdahlman@cftc.gov or 202-418-5264.

SUPPLEMENTARY INFORMATION: On September 12, 2013, the Commission published in the Federal Register (78 FR 56542) the Concept Release on Risk Controls and System Safeguards for Automated Trading Environments. The Concept Release provides an overview of the transition from human-centered to automated trading environments, reviews the Commission's regulatory response to date and existing industry practices, and describes a series of pre-trade risk controls, post-trade measures, system safeguards and other protections applicable to trading platforms and other categories of market participants. The Commission requests comment on a broad range of topics including, among other things, the extent to which certain risk controls have been adopted by industry, whether there is a need for regulatory action on such risk controls in order to provide more uniform risk mitigation across Commission-regulated derivatives markets, and the appropriate stage in the lifecycle of an order at which risk controls should be placed.

The Commission is reopening the comment period for the Concept Release beginning on January 21, 2014, and ending on February 14, 2014. Parties who previously submitted comments on the Concept Release, but did so after the original December 11, 2013, comment deadline, are invited to resubmit their comments so that they may be properly considered. Parties presenting relevant materials during the January 21, 2014, meeting of the Commission's Technology Advisory Committee are invited to submit such materials for inclusion in the comment file. Parties may also

submit new comments regarding any matter raised in the Concept Release. All comments must be received on or before February 14, 2014.

Issued in Washington, DC, on January 17, 2014, by the Commission.

Christopher J. Kirkpatrick,
Deputy Secretary of the Commission.

NOTE: The following appendix will not appear in the Code of Federal Regulations.

**Appendix to Concept Release on Risk Controls and System Safeguards for
Automated Trading Environments – Commission Voting Summary**

On this matter, Acting Chairman Wetjen and Commissioners Chilton and O'Malia voted in the affirmative. No Commissioner voted in the negative.

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